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REPORT

CD NO.

50X1-HUM

COUNTRY Communist China

DATE OF
INFORMATION 1948

SUBJECT Economic - Currency reform

DATE DIST. 29 March 1949

HOW
PUBLISHED Daily newspaper

NO. OF PAGES 3

WHERE
PUBLISHED Ta-lien (Dairen)DATE
PUBLISHED 18 November 1948

14430

SUPPLEMENT TO
REPORT NO.

LANGUAGE Chinese

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SOURCE Kwantung Jih-pao (Kwantung Daily), No 467, 1948. (Information requested.)KWANTUNG CURRENCY REFORM

The Kwantung Government Office, in order to improve this territory's financial condition and unify currency circulation, has decided to put currency reform into effect beginning 15 November 1948, and has established the following:

1. This Office has decided that beginning 15 November 1948 new currency will be issued by the Kwantung Bank in five categories, one, 5, 10, 50, and 100 yuan.

2. All individuals, agencies, groups, and enterprises in the Kwantung territory must, in the 5 days between 15-19 November, bring to the exchange office for exchange into the new currency, all their stamped Manchu currency, stamped Soviet military currency, unstamped one- and 5-yuan Manchu currency, and Soviet military currency.

3. Old currency indicated in paragraph 2, if not exchanged, will be valueless beginning 20 November 1948. Paper currency that has lost its payment power is prohibited from circulation and will not be exchanged.

4. The exchange of old currency for new as indicated in paragraph 2 is the responsibility of the Kwantung Bank. During the period of exchange, the Kwantung Bank may, according to the plan approved by this Office, set up exchange offices.

5. All who belong to one of the following categories may exchange old currency for new at the ratio of one to one:

a. Workers, officials, and alien citizens in Government agencies now functioning, popular groups, and public or private enterprises may exchange old currency, up to 5,000 yuan per person.

b. Peasants may exchange their old currency for new, up to 5,000 yuan per family.

c. Other residents (handicraft workers, merchants, and others) may exchange their old currency for new, up to 5,000 yuan per head of family.

- 1 -

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d. All funds of the Kwantung Bank and what it owes to any enterprise, agency, group, or individual shall be exchanged at the rate of one yuan of the old currency for one yuan of the new to the full extent of the debt.

6. All old currency in excess of the amounts determined in paragraph 5 shall be exchanged at the ratio of 10 yuan of the old to one of the new.

7. Cash funds of Government agencies, popular groups, religious groups, public and private enterprises, and joint public-private enterprises shall all be exchanged at the rate of 10 yuan of the old for one of the new.

Individual handicraft businesses and industrial and commercial enterprises which are beneficial to the national plans and the people's life, and which have received special permission from the Government office may change their funds on hand into the new currency at the ratio of one to one. However, this exchange is limited to their transactions for half a month as reported at the time of paying taxes to the Government in the latter half of October 1948.

8. When currency is exchanged, it shall be done in order of place of residence according to the population register; laborers and officials must bring a certificate for each individual or family unit.

9. All deposits in the Kwantung Bank or in private banks shall be converted or their credit balances paid out as of 1 November 1948 according to the following provisions:

a. Deposits of Government agencies, popular groups, religious groups, public enterprises, and joint public-private enterprises shall be calculated at the rate of one yuan old for one new.

b. Deposits of private industries and business shall be calculated at the rate of one yuan old for one new, for the average amount of monthly transactions as reported to the Government for the last 3 months when paying taxes.

c. Private deposits shall be calculated at the rate of one yuan old for one new, up to 5,000 yuan.

d. Among the above-named deposits, all sums in excess of those exchanged at the one-to-one rate shall be calculated at the rate of 10 yuan old for one new.

10. Funds for transmittal received by the Kwantung Bank and postal agencies before 15 November 1948 shall be calculated at the rate of 10 yuan old for one new. After 15 November 1948, only new currency will be received for transmittal.

11. Wages of laborers and officials for the first half of November not paid before 15 November 1948 must be paid in new currency.

12. Any debts, agreed obligations, taxes, insurance fees, etc., contracted by any agency, group, enterprise, or individual citizen before the currency reform came into effect, and all other payments to Government agencies, enterprises, and groups, may be calculated at the one-to-one rate.

13. Beginning 15 November 1948, all payments and discounts must use the new 1948 currency. Those who cannot pay bills or taxes promptly between 15-19 November 1948 will not have interest calculated in those 5 days.

14. As to the procedure for exchanging currency, it shall be carried out according to the rules approved by this Office for the Kwantung Bank's implementation of the currency reform.

- 2 -

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It is hoped that all the people of our territory will fully understand the aforesaid provisions, and will endeavor within the period fixed by this Office, and according to the rules for carrying out currency reform in this territory, to exchange currency promptly at the exchange places in this territory. This is strictly enjoined.

Ch'ih Tzu-hsiang, Chairman
Han Kuang and Ch'iao Ch'uan-chueh, Vice-Chairmen
14 November 1948

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- 3 -

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